

# GAP COVERAGE AGREEMENT

## TITLE GUARANTY DIVISION

This Agreement is entered into by the Title Guaranty Division of the Iowa Finance Authority, (The Division), and the proposed guaranteed lender or owner, or an agent for one or both, so that Gap coverage may be obtained without the need of buying a Commitment. The coverage afforded by this agreement is only effective if the land is used, or is to be used, primarily for residential purposes. The ordering of a Pre-Closing Search Certification constitutes an agreement to purchase an Owner or Lender Title Guaranty Certificate, or both, under the normal terms offered by the Division.

It is agreed that the issuing, by a participating abstracter, of a Pre-Closing Search Certification gives the guaranteed(s) the same coverage that they would have if a Title Guaranty Commitment based on a title opinion issued by a participating attorney, had been issued. When said Certification is issued the effective date of coverage is thereby extended from the date and time of the last update of the abstract as shown in the title opinion prepared by a participating attorney, based on an abstract prepared by a participating abstracter, to the date and time of the filing of the new mortgage and/or deed, if the mortgage and/or deed is filed as set out below.

Any new deed or mortgage must be filed as soon as possible, but no later than the tenth day that documents may be filed in the county Recorder's office following the effective date shown on the certification.\*

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 200\_.

Title Guaranty Division  
of the Iowa Finance Authority

\_\_\_\_\_  
Name of Guaranteed (Please Print)

\_\_\_\_\_  
Address of Guaranteed (Please Print)

(\_\_\_\_\_)\_\_\_\_\_  
Telephone Number

By \_\_\_\_\_  
Lloyd Ogle, Director

By \_\_\_\_\_  
(Lender, Owner or Agent)

\_\_\_\_\_  
(Print Name of Lender, Owner or Agent)

\*(For example, if the Pre-Closing Search Certification has an effective date of a Wednesday, the mortgage and/or deed must be filed by the close of business on a Wednesday exactly 14 days from the search effective date, assuming no holidays.)